


Scholars for years have tried to untangle the gnarly Gordian Knot of business profit and human values. In this remarkable book, Georges Enderle wields a powerful axe balanced by human rights and wealth creation in order to cut the knot. His ingenious interpretation of “wealth creation” is one of the book’s striking achievements. Other scholars have toyed with mixing wealth creation and values, but none has achieved Enderle’s level of sophistication. *Thomas Donaldson, The Mark O. Winkelman Endowed Professor, The Wharton School, University of Pennsylvania*

Enderle challenges corporations to put respecting and remedying human rights in the front and center of corporate responsibility along with creating wealth in a comprehensive sense. By providing an expanded definition of wealth to include natural, human and social capital in addition to economic capital, Enderle meticulously explains how corporate responsibility contributes further to the common good by producing both private and public goods. The book gives a comprehensive, nuanced, occasionally surprising and at the end a convincing analysis that the purpose of corporations goes beyond meeting the needs of shareholders and stakeholders. I recommend it to anyone who seeks a comprehensive understanding of corporate responsibility in this pluralistic and globally connected world where humanity’s existence is under threat. Business leaders, students and scholars will find nuggets of wisdom throughout the book. It provides not only food for thought for the curious-minded but actionable ideas to business leaders who aspire to contribute to a just and sustainable world for both now and future generations.

*Anne S. Tsui, Motorola Professor Emerita of International Management, Arizona State University*

Finally – the book we have all been waiting for. Professor Enderle has moved the field of business ethics exponentially forward by pushing our thinking beyond wealth creation to imagining commerce as a global interconnected phenomenon that takes into account extensive human and organizational value creation. He then links the globalization of commerce to a rights-based framework that Enderle summarizes as “corporate responsibility for creating wealth and respecting human rights.” In the twenty-first century dialogue this book brings together both the globalization of commerce and its ethical challenges in a refreshing innovative manner that will change the conversation in business ethics profoundly.

*Patricia Werhane, Professor Emerita, Darden School of Business*



## *Corporate Responsibility for Wealth Creation and Human Rights*

Georges Enderle proposes a radically new understanding of corporate responsibility in the global and pluralistic context. This book introduces a framework that integrates the ideas of wealth creation and human rights, which is illustrated by multiple corporate examples, and provides a sharp critique of the maximizing shareholder value ideology. By defining the purpose of business enterprises as creating wealth in a comprehensive sense, encompassing natural, economic, human and social capital while respecting human rights, Enderle draws attention to the fundamental importance of public wealth, without which private wealth cannot be created. This framework further identifies the limitations of the market institution and self-regarding motivations by demonstrating that the creation of public wealth requires collective actors and other-regarding motivations. In line with the UN Guiding Principles on Business and Human Rights, this book provides clear ethical guidance for businesses around the world and a strong voice against human right violations, especially in repressive and authoritarian regimes and populist and discriminatory environments.

Georges Enderle is the John T. Ryan Jr. Professor Emeritus of International Business Ethics at the Mendoza College of Business, University of Notre Dame (Indiana, USA). He is also co-founder of the European Business Ethics Network (EBEN) and former president of the International Society of Business, Economics, and Ethics (ISBEE; 2001–04). Professor Enderle has previously authored or edited 21 books and over 160 articles.

# Corporate Responsibility for Wealth Creation and Human Rights

GEORGES ENDERLE  
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Dedicated to the colleagues and friends in the International  
Society for Business, Economics, and Ethics (ISBEE)

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## *Preface*

This book has been in the making for many years. In a way it began in 1970 when I travelled, with two friends, by car from Europe to India, around the subcontinent and back to Europe. It was a life-changing experience to discover people struggling for survival in a developing country. So I decided to complement my studies in philosophy and theology with a Ph.D. in economics on income inequality (Enderle 1982). This led to a Dr. habil. (a second Ph.D.) in business ethics on poverty in Switzerland and the human right to a decent livelihood to be incorporated in the Swiss Constitution (Enderle 1987). Inspired by *A Theology of Liberation* (Gutiérrez 1988) and Amartya Sen's work (Sen 1981, 1999), I discovered how poverty research can open up a wide range of perspectives that are also of great relevance to business and economic ethics in general; for example, a problem-oriented methodology, a focus on human capabilities and awareness of ethical implications in economics (Enderle 1989, 2014a). However, at that time I did not realize the importance of the creation of wealth.

Seven years after my habilitation (completed in 1987), I started doing research and teaching in China. I heard the slogan “to be rich is glorious” – a famous saying attributed to Deng Xiaoping in the mid-1980s (see Enderle 2009, notes 1 and 2). It marked a radical change of attitude toward wealth and prosperity, one that came to constitute a core value of the moral foundation for China's economic reform and open-door policy. It has been embraced by millions and millions of Chinese and proved, overall, to be quite successful. Since 1994, I personally have been fortunate to observe and study the remarkable economic development in China and, particularly in Shanghai, to seek possible lessons applicable to other parts of the globe and to reconsider my own views with regard to poverty and wealth and business' responsibility. I began to understand how important a proper concept of and a determined focus on wealth creation are in order to address the issues of poverty and inequality of income and wealth. Furthermore,

I learned that these vital problems cannot be dealt with in a purely technical and value-free manner. Ethics matters, and human rights provide a common ethical ground for creating wealth in the global and pluralistic context.

I invite the reader to have a fresh look at wealth creation as the purpose of the economy and business enterprises and to consider the thirty internationally recognized human rights (see Chapter 11) as the common ethical ground needed for businesses operating in this global and pluralistic environment. In my view, this vision of “a joint responsibility for both wealth creation and human rights” is attractive and persuasive. It can be designed in clear and measurable terms and is well-founded from both the economic and ethical perspectives. I use numerous positive and negative corporate examples to illustrate the relevance and feasibility of this vision. Of course, the commitment of business people and enterprises is needed, civil society organizations have to watch and fight for its implementation, fair and effective institutions and regulations must support these efforts and much more is required.

In developing this vision and presenting it in this book, I have travelled a long, arduous but interesting route, documented in multiple books, book chapters and articles I published along the way. These works are referenced throughout the book and listed in the Bibliography.

On this journey I got much inspiration, encouraging support, constructive critique and farsighted advice from many friends and colleagues. My special thanks go to Professors Richard De George, Geert Demuijnck, Thomas Donaldson, Amitava Dutt, Patrick Murphy, Carolina Olarte Bácares, Michael Santoro and Anne Tsui, who read and commented on parts of the manuscript. I am also grateful to two anonymous reviewers of Cambridge University Press for critical and helpful comments and suggestions. Finally, I would like to acknowledge Tracey Thomas for critically reading the entire manuscript and making it more fluent and understandable.

In gratitude and hope, I dedicate this book to ISBEE, the International Society of Business, Economics and Ethics.

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